

ABSTRACT

The invention pertains to a method of online purchasing and inventory distribution of materials. Through the combination of an inventory management system and an accounting system, approved materials are temporarily stored in a supplier's temporary stored area in a storage of the purchaser. Only after the materials are indeed shipped to the production lines will the payment procedure begin. Using such a model of online purchasing to pay at the same time materials are used can transfer part of the material stocking cost over to the suppliers, thus lowering the stocking cost at the purchaser. Applying this method of completing material payment at the same time materials are supplied can not only simplify material shipping procedure but also ensure the timing for materials needed immediately on the production lines.